

# **PX EXHIBIT 86**



**fullcircle**  
**UNITED**

August 8, 2019

ATTN: LARRY A. TREANKLER

Hey David,

I received your July 26, 2019 letter. Please accept this email as Full Circle United's response.

To begin, I want Bay Tek to know that FCU is an open book on these matters. FCU is happy to give Bay Tek whatever information it seeks, since that information will show, without question, that FCU is not in breach of any provision of the License Agreement.

I am trying my absolute best to answer your questions. I intend to answer them fully and unconditionally. If I have not, please let me know what else I can do to assist you and I will get on it right away.

With respect to sponsorships, FCU has had five events where a sponsorship arrangement was involved (relating to National Skee-Ball® League / Skee-Ball® mark) during the time period in your request. Most of these sponsorships were not formal and were not made with or for the benefit of FCU, but instead were with or for the benefit of the venue that hosted the event. Please see below for a description of each of these arrangements.

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#### **OCTOBER 2017 – THE BEEB**

Community Beer, as well as the book "Seeking Redemption" were venue sponsors of the 2017 BEEB. Bay Tek was a sponsor of The BEEB that year and several of Bay Tek staff members were in attendance that weekend.

FCU was not provided any consideration by Community Beer for any sponsorship. Community Beer simply donated beer and a tent to the venue in Austin. Because FCU did not contract with Community Beer for a sponsorship and did not receive any consideration from Community Beer, FCU was not in a position to pay anything to Bay Tek from Community Beer. If you disagree with this assessment, I am happy to discuss with you how to cure the matter.

FCU received \$750 from the publisher of "Seeking Redemption" for sponsoring the Brewskee-Ball® league family dinner. Because the sponsorship was specifically for a special Brewskee-Ball® event, we understood that Bay Tek wasn't supposed to receive 5% of that money. If Bay Tek disagrees, please let me know and I will gladly cut Bay Tek a check for \$37.50. There was no written contract between FCU and "Seeking Redemption", it was just a casual sponsorship.

#### **APRIL 2018 – LANESANITY**

Heineken and Tecate sponsored LANESANITY in April 2018. The sponsorship was \$2,000. Notice of that sponsorship was previously provided pursuant to the License Agreement and the 5% (\$100) was paid to Bay Tek. There was no written contract, just a casual sponsorship.

#### **NOVEMBER 2018 – THE BEEB**

This was a New Belgium venue sponsorship, which you referred to seeing on our Twitch stream. New Belgium's Voodoo Ranger beer was highlighted on the Skee-Ball® LIVE tournament lanecast as a gift to the venue, which received the consideration (some free beer) for the sponsorship. FCU received no consideration for this sponsorship. New Belgium's Voodoo Ranger beer was donated to the venue in Austin for the event. There are no documents that governed this arrangement between New Belgium and the venue or between the venue and FCU. It was an informal arrangement. Because FCU did not contract with New Belgium for a sponsorship and did not receive any consideration from New Belgium, FCU was not in a position to pay anything to Bay Tek from New Belgium. If you disagree with this assessment, I am happy to discuss with you how to cure the matter.

#### **APRIL 2019 – LANESANITY II**

This was also a New Belgium venue sponsorship, which you may have seen on our Twitch stream. New Belgium's Voodoo Ranger and Fat Tire beers were highlighted on the lanecast as a gift to the venues in Austin and Brooklyn, which received the consideration (free beer) for the sponsorship. FCU received no consideration for this sponsorship. New Belgium's Voodoo Ranger and Fat Tire beers were donated to the venues for this remote event. There are no documents that governed this arrangement between New Belgium and the venues or between the venues and FCU. It was an informal arrangement. Because FCU did not contract with New Belgium for a sponsorship and did not receive any consideration from New Belgium, FCU was not in a position to pay anything to Bay Tek from New Belgium. If you disagree with this assessment, I am happy to discuss with you how to cure the matter

#### **AVOCADO STRAWS**

The remark about an avocado straws sponsorship during a recent NSBL Show was a joke that I made, referencing the current public discussion and environmental emergency of plastic straws that are harming the world's oceans and sea creatures. To be clear, there is and has been no sponsorship of FCU by avocado straws or any maker or seller of straws.

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## INSURANCE

As to the insurance, I relayed your request to the insurance company. I then sent you everything that the insurance company sent to me in response to your request, which included the policy required by the License Agreement and the certificate of coverage. I also have a document called "master policy", but it is 600+ pages. I didn't think you were asking for that document. However, in the event you would like to see it, I have attached it here for you.

**You can also find the master policy document at this link:**

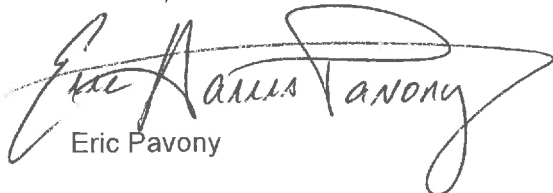
[https://drive.google.com/file/d/1HT\\_EgfwkKWR1LNf3h9946p3sjXQIKfxc/view?usp=sharing](https://drive.google.com/file/d/1HT_EgfwkKWR1LNf3h9946p3sjXQIKfxc/view?usp=sharing)

Outside of that, FCU is not in possession of anything more than these items, so I cannot send you anything else. It seems neither I nor the insurance company quite understand what is missing from what the insurance company sent me. I am eager to get you everything you are seeking regarding our insurance. In fact, FCU has had the same policy in place since the inception of the License Agreement in 2014. This is the same insurance policy that SBI and Bay Tek have both previously approved.

To make sure you have everything you need, I'd be happy to get on the phone with you and Kandyce, FCU's insurance agent, so that you can tell her exactly what else you need to review and so you can hear me tell the agent I approve of her sending everything you request directly to you. That way there is no possibility of any misunderstanding or confusion caused by any vagueness. You can specify precisely what you're looking for directly to Kandyce, our agent. Please let me know when you would like to have the call and I will make myself available and will check on her availability. Alternatively, if it's more convenient, you can simply send your request directly to Kandyce via email. If you copy me, I will reply all to tell Kandyce that I approve of her sending you everything you have requested. If that is what you prefer, her email address is: sport3@sadlersports.com. Since you did not specify what is missing in your July 26, 2019 letter, I cannot simply send Kandyce that letter. We will need to instead set-up a call with our agent, or you can send her an email yourself – whichever works best for you.

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I look forward to hearing from you.

Thanks,



Eric Pavony